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5 January 1959

SERVICES DIVISION
MONTHLY REPORT FOR
DECEMBER 1958

1. Important Developments in the Division Program

25X1A9a a. Messrs. [REDACTED] discussed the status of intelligence research and reporting on Sino-Soviet Bloc merchant shipping with ONI and AFCEIN representatives. A staff study on priority research deficiencies in the field is being prepared by Mr. [REDACTED]. This paper will be presented at an early meeting of the TSC and will serve as a Community guide for the elimination of research deficiencies as well as a means for a more effective allocation of Community resources to eliminate such deficiencies. As an immediate measure S/TR has undertaken to maintain an all-source register of all Bloc chartering of Free World vessels.

25X1A9a b. Mr. [REDACTED], S/CST, debriefed [REDACTED] of 1958. Their observations on the soundness of present Soviet housing construction and improvements since 1956 provide a very useful measure of Soviet accomplishments in this sphere. [REDACTED] of the same branch interviewed and coordinated requirements and interviews of other ERA elements with Defector 803, [REDACTED].

25X1A9a c. Mr. [REDACTED], S/TD, together with other specialists in ERA, attended three meetings of the ACEP Ad Hoc Subgroup on Technical Data. Preliminary determinations were reached on items and/or plants or processes in the chemical and chemical equipment, machine tool, and electronics categories which may be susceptible to U.S. unilateral technical data control.

25X1C8a d. Members of S/TF chaired and participated in discussions of selected Bloc trade problems with representatives from [REDACTED] IRA/State, and several branches of ORR. Because of the broad intelligence implications of these talks and the important conclusions reached, the proceedings have been drafted and submitted to the participants for comment, after which they will be published for general dissemination within the U.S. [REDACTED] intelligence communities.

2. Problems

None.

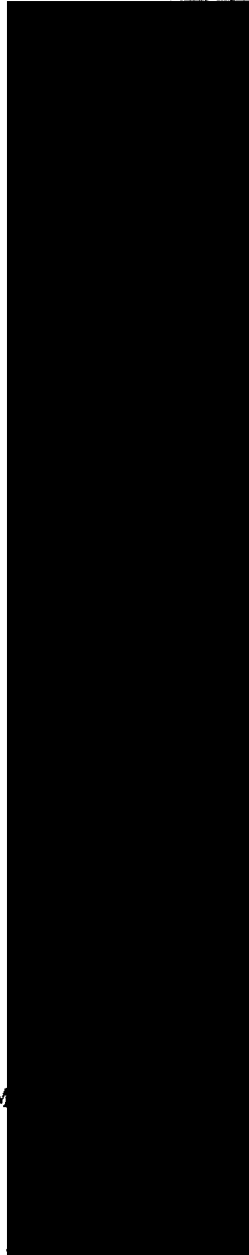

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Appendix I
Services Division Monthly Report for
December 1958

1. Accomplishments

The following projects were submitted by the Services Division in December:

Project Number	Title	Analyst or Contributing Branches
00.2416	Priority Gaps in Intelligence USSR: Construction Industry Rumania: Posts and Telecommunications	
00.2444	Effects of Separation of East Berlin from East Germany	
16.2350	Contribution to A/E Project: East German Foreign Trade Accounts	
30.2419	 Conference: 5 papers	
41.2046	Significant Northern Sea Route Activities	
42.2256	OCB Study French-Soviet Bloc Relations	
42.2260	Sino-Soviet Bloc Economic Policies in Underdeveloped Countries	
42.2274- 42.2275	Biweekly Report of Bloc Activities in Underdeveloped Countries	
42.2429	Bloc Medical Aid to Non-Communist Countries, 1955-58	
46.2321	Post and Telecommunications in Rumania	
47.2447	Highlights in European Satellites Civil Defense, 1956-58	
S-396	Technical Assistance in Bloc Economic Offensive	
S-399	Recent Trends in Yugoslav-Bloc Trade	
S-401	Measures to Counter Sino-Soviet Economic Offensive	

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Project Number	Title	Analyst or Contributing Branches
S-409	Capability of Transport Routes in Baltic States	Staff, TR
S-410	Flexibility of Soviet Aid Program	25X1A9a
S-411	Exhibits Suggested for Display in USSR	
S-413	Review of Geographic Area Project: The Soviet Arctic	In, CST

In addition, two CSM's and six other current intelligence items were submitted to the Current Support Staff. Messrs. [REDACTED] TF, lectured 25X1A9a to the OTR course on Clandestine Scientific and Technical Operations on the subject, "Role of Technical Assistance in the Bloc Economic Penetration of Free World Underdeveloped Countries."

2. Personnel

25X1A9a [REDACTED] entered on duty with COM and [REDACTED] with TR. Mr. [REDACTED] transferred from TD to TF and Mr. [REDACTED] from TR to ONE. Mr. [REDACTED] attended the Special Weapons Orientation Course at Sandia Base, Albuquerque, New Mexico; Messrs. [REDACTED] and [REDACTED] attended the American Economic Association meetings at Chicago; and Mr. [REDACTED] attended the SAIS conference on Soviet Foreign Economic Policy. Messrs. [REDACTED] and [REDACTED] completed the Intelligence Orientation Course; [REDACTED] completed the ORR Statistics Course; and [REDACTED] completed the Basic Management Course.

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